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Saving Time and Money for Growth

With a new one-stop shop, the Albanian government is making business registration both faster and cheaper.



Photo: MCC Albania Threshold Agreement

Ismail Bardhi re-registered his business after Albania's National Registration Center reduced the average registration time from 47 days to 1 day. The two-year \$13.85 million Millennium Challenge Albania Threshold Agreement between the Government of Albania (GoA) and MCC, administered by USAID, assists the GoA to reform and modernize tax administration, public procurement, and business registration processes through IT solutions and legislative enhancements.

In 2007, Ismail Bardhi saw an opportunity to expand his refrigeration business to include mobile units for transporting fresh food. But because he would have to re-register his business to expand it, he kept postponing the change. When he had originally registered his business in 1997, it had taken more than a month and required nearly 12,000 leke (\$150) in lawyer's fees. It had also required a visit both to the courts and to the tax office for an official ID number.

In 2008, Bardhi heard about the newly established National Registration Center (NRC), created by the Millennium Challenge Albania Threshold Agreement Project, which is administered by USAID and funded by the Millennium Challenge Corporation. "I found out that the only thing I had to do [to re-register] was to prepare a decision on behalf of all company partners and then spend a few minutes to show it to the proper people," he said. The NRC's revamped registration process has reduced the average registration time from 47 days to 1 day.

In mid-April, Bardhi assembled the necessary documents and 100-leke fee and visited NRC headquarters in Tirana. "It was a very welcoming atmosphere," he said. "The people that greet you are always smiling, and they ask how they can serve you."

Bardhi also emphasized that the NRC's professional, service-oriented approach cut against the favoritism that more casual operating environments can permit. Service did not depend on personal relationships, the mood of the clerk, or other exchanges, as has been the case in the past. "It was important to me that, in the NRC, no one was more special than another," he said. "Everyone got a number and was served when that number came up. In this new model, each person is equally important."

In the nine months since its September 2007 opening, the NRC has processed 65,177 registrations of new and existing businesses. In the first five months of 2008, the NRC has registered 55 percent more businesses than in the same months in 2007.